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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 6, 1999

PETITION OF

ENRON FEDERAL ENERGY SOLUTIONS, INC.

CASE NO. PUE990782

For declaratory judgment

ORDER ESTABLISHING PROCEDURAL SCHEDULE

On November 15, 1999, Enron Federal Energy Solutions, Inc.

("Petitioner" or "Enron"), filed a petition requesting the

Commission to issue an order declaring that Enron would be

exempt from the Commission's jurisdiction over public service

companies under the circumstances described in its petition. In

its petition, Enron states that it intends to submit a proposal

in response to a solicitation by the Army Corps of Engineers

whereby Enron would assume ownership of and operational

responsibilities for certain assets and infrastructure that are

used to distribute electricity and potable water and to collect

wastewater within three military installations in Virginia.

Enron explains that the solicitation is in compliance with a Department of Defense policy directive to privatize utility distribution systems on military installations. The installations that are the subject of the solicitation referenced in Enron's petition are Fort Myer in Arlington

County, Fort Belvoir in Fairfax County, and Fort A.P. Hill in Caroline County.

According to the petition, all current service arrangements with local utilities will remain unchanged by the solicitation because the solicitation relates solely to the internal operations of assets and infrastructure located within the installations' boundaries, and the United States Army currently carries out these responsibilities directly or through existing unregulated contractors.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion that a schedule should be established requiring notice of Enron's petition and providing interested parties an opportunity to participate in this proceeding. We will permit interested parties and the Commission's Staff to file responses to Enron's petition and request a hearing, and we will give Enron the opportunity to reply to any such responses and requests. Thereafter, the Commission may decide this matter on the pleadings or determine if further proceedings are necessary. Accordingly,

IT IS ORDERED:

- (1) This matter is docketed and assigned Case No. PUE990782.
- (2) Any interested person, including the Commission Staff, wishing to respond to Enron's petition shall file a response on or before January 19, 2000. Responses should include a precise

statement of the interest of the party in the proceeding, and should address specifically how state and federal law affects the Commission's jurisdiction over utility service on United States military installations in Virginia.

- (3) Any person desiring a hearing in this matter shall file such a request on or before January 19, 2000, stating in detail why Enron's petition cannot be adequately adjudicated on written filings. Such request should set forth the issues upon which the party seeks hearing together with the evidence expected to be introduced at any hearing. If no sufficient request for hearing is received, the Commission may enter an order upon the basis of the pleadings filed.
- (4) On or before February 10, 2000, Enron may file a reply to any responses and request for hearing.
- (5) An original and fifteen (15) copies of any response, requests for hearing, and reply shall be filed with the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE990782.
- (6) Enron shall make its petition available to the public, who may obtain a copy of the petition by requesting it in writing from Enron's counsel, Randall S. Rich, Esquire, and Marc C. Herbert, Esquire, Bracewell & Patterson, 2000 K Street, N.W., Suite 500, Washington, D.C. 20006-1872.

- (7) On or before December 14, 1999, Enron shall forthwith serve a copy of its petition and this Order on the Chairman of the Board of Supervisors and the County Attorney for the counties of Arlington, Caroline, and Fairfax, and shall simultaneously file with the Clerk of the Commission proof of service on these government officials.
- (8) Enron and any other parties shall respond to interrogatories and data requests within ten (10) days of service. Except as modified herein, discovery shall be in accordance with Part VI of the Commission's Rules of Practice and Procedure.